

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE ALHAMBRA, CALIFORNIA 91803-1331 Telephone: (626) 458-5100 http://dpw.lacounty.gov

ADDRESS ALL CORRESPONDENCE TO: P.O. BOX 1460 ALHAMBRA, CALIFORNIA 91802-1460

July 16, 2013

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS COUNTY OF LOS ANGELES

22 July 16, 2013

SACHI A. HAMAI
EXECUTIVE OFFICER

APPROVE AN AGREEMENT FOR THE OPERATION OF THE PERMANENT ANTELOPE VALLEY ENVIRONMENTAL COLLECTION CENTER (SUPERVISORIAL DISTRICT 5) (3 VOTES)

SUBJECT

This action is to approve an agreement for the operation and maintenance of the Permanent Antelope Valley Environmental Collection Center for the purpose of collecting household hazardous and electronic waste in the Antelope Valley.

IT IS RECOMMENDED THAT THE BOARD:

- 1. Approve and instruct the Director of Public Works or her designee to execute an agreement between the Antelope Valley Recycling and Disposal Facility, Inc. (Waste Management), and the County of Los Angeles for the operation and maintenance of the permanent Antelope Valley Environmental Collection Center.
- 2. Delegate authority to the Director of Public Works or her designee to execute any amendments to the agreement relating to the operation of the Facility.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to approve an agreement for the operation and maintenance of the Permanent Antelope Valley Environmental Collection Center in a form substantially similar to the enclosed Agreement.

The Honorable Board of Supervisors 7/16/2013 Page 2

The Countywide Household Hazardous Waste Management Program was established in 1988 to keep Household Hazardous Waste (HHW), such as paint, solvents, and chemicals, from being discarded at municipal solid waste landfills. The Program is administered by Public Works and provides a free and convenient means for residents to manage their HHW primarily through weekly temporary collection events held throughout the County of Los Angeles. In 2002 the Program was expanded to include the collection of electronic waste (E-Waste).

To enhance services for the residents of the Antelope Valley, the County, the Cities of Palmdale and Lancaster, and Waste Management entered into an agreement entitled "Construction and Operating Agreement for Household Hazardous Waste Collection and Transfer Facility" (Agreement), dated on or about April 1, 2004, related to the construction and operation of the Collection Center, a permanent HHW collection facility. The Collection Center began operations in 2005.

Pursuant to the Agreement, the County and Waste Management each fund an annual contribution in an amount not less than \$180,000, and not more than \$210,000 towards the operation and maintenance of the Collection Center. The Collection Center is located at the Antelope Valley Public Landfill, 1200 West City Ranch Road in Palmdale, California. The center accepts HHW and E-Waste free of charge from residents on the first and the third Saturdays of each month.

Following 30 months of continued operation, the Cities, the County, and Waste Management conducted a joint evaluation of the Collection Center operations and determined that the Collection Center continues to support the goals and objectives of AB 939 and its continued operation is mutually beneficial and cost effective.

The Collection Center Agreement, as amended, was due to expire upon the effective date of the new Conditional Use Permit (CUP) No. 03-170-(5) for the Lancaster Landfill and Recycling Center, which was issued by the County on December 14, 2011. The CUP became effective on August 1, 2012.

On July 17, 2012, the Board of Supervisors approved Amendment Number Two to extend the Agreement for the operation of the Collection Center through July 31, 2013, or until a new agreement is effectuated. The County and Waste Management have negotiated the terms of a new agreement, which will further enhance services and is consistent with the provisions of the new CUP for the Lancaster Landfill. The proposed new agreement includes a provision to allow the parties to establish a Conditionally Exempt Small Quantity Generator Collection Program for businesses in the future by mutual agreement and allows Waste Management to utilize the facility as a consolidation point for door-to-door programs serving the Antelope Valley residents at no cost to the County.

The initial term of the proposed new agreement is ten years, and it will renew automatically for two additional ten-year terms unless either party provides notice at least 180 days before the end of a term of its intent not to renew the Agreement. In addition, the County can discontinue funding the collection facility by giving notice to Waste Management at least 60 days before the end of any operating year that the Agreement is in effect.

The Honorable Board of Supervisors 7/16/2013 Page 3

<u>Implementation of Strategic Plan Goals</u>

The Countywide Strategic Plan directs the provisions of Operational Effectiveness (Goal 1) and Integrated Services Delivery (Goal 3). The recommended actions will help achieve these goals by maintaining the high level of service to Antelope Valley residents and extending these service benefits to businesses, which will help better protect the environment.

FISCAL IMPACT/FINANCING

There will be no impact on the County General Fund. The County's obligations under the Agreement will be funded from the County's Solid Waste Management Fund (GD1 Fund). Sufficient funding is available in the Fiscal Year 2013-14 Final Recommended Solid Waste Management Fund budget to fund the operation and maintenance of the facility. Funds to finance the remainder of the Agreement will be requested through the annual budget process.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Agreement has been reviewed and approved as to form by County Counsel. Pursuant to the Agreement terms, the Agreement has also been approved by Waste Management and reviewed by the Cities of Lancaster and Palmdale as interested parties.

ENVIRONMENTAL DOCUMENTATION

On July 15, 2008, Agenda Item No. 26, acting as a Responsible Agency, the Board adopted the Mitigated Negative Declaration previously certified and adopted for this project by the City of Palmdale which found that the project will not have a significant effect on the environment in accordance with the provisions of the California Environmental Quality Act. Extending the operating term is consistent with the findings in the environmental document and is an administrative activity that will not cause a physical change in the environment.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no negative impact to current County services or projects as a result of this action.

The Honorable Board of Supervisors 7/16/2013 Page 4

Hail Farher

CONCLUSION

Please return three adopted copies of this letter to the Department of Public Works, Environmental Programs Division.

Respectfully submitted,

GAIL FARBER

Director

GF:PP:dy

Enclosures

Chief Executive Office (Rita Robinson) County Counsel (Julia Weissman)

Executive Office

AGREEMENT FOR THE OPERATION OF THE PERMANENT ANTELOPE VALLEY ENVIRONMENTAL COLLECTION CENTER

THIS AGREEMENT FOR THE **OPERATION OF THE PERMANENT ANTELOPE VALLEY ENVIRONMENTAL COLLECTION CENTER** ("Agreement"), is entered into by the COUNTY OF LOS ANGELES, a political subdivision of the State of California ("County") and ANTELOPE VALLEY RECYCLING AND DISPOSAL FACILITY, INC., a California corporation, which is a wholly-owned subsidiary of USA Waste of California, Inc., a Delaware corporation, a Waste Management company ("Waste Management").

RECITALS:

- A. The County, Waste Management, the City of Lancaster, a municipal corporation, and the City of Palmdale, a municipal corporation, entered into an agreement entitled "Construction and Operating Agreement for Household Hazardous Waste Collection and Transfer Facility," dated on or about April 1, 2004, ("AVECC Agreement"), related to the construction and operation of the Antelope Valley Environmental Collection Center (AVECC) in the City of Palmdale.
- B. In accordance with the AVECC Agreement, a permanent Household Hazardous Waste Collection and Transfer Facility ("Facility"), AVECC, was constructed by the Cities of Lancaster and Palmdale.
- C. Upon completion of construction, title to AVECC was transferred to Waste Management, and Waste Management assumed responsibility for the operation and maintenance of the Facility during an initial three-year pilot period through joint funding by the County and Waste Management.
- D. The AVECC Agreement provided for an evaluation period by all the involved parties, which resulted in a decision to continue the operation of the AVECC. The parties entered into the Amendment to Extend the Agreement for the Operation of the Antelope Valley Permanent Household Hazardous Waste Collection Facility ("AVECC Amendment"), which extended the terms of the AVECC Agreement until August 31, 2009, or the effective date of a revised Conditional Use Permit No. 93-070-(5) issued by the County governing the operations of the Lancaster Landfill and Recycling Center. The AVECC Agreement was further extended by "Amendment Number Two" until July 31, 2013, or a new operating agreement takes effect.
- E. A new Conditional Use Permit No. 03-170-(5) governing the operations of the Lancaster Landfill and Recycling Center was issued by the County on August 1, 2012, and supersedes Conditional Use Permit 93-070-(5).
- F. The County and Waste Management have proposed to continue Operation of the AVECC and to enhance the level of household hazardous waste collection services provided at the AVECC. As part of the enhanced level of services, the parties may agree in the future for Waste Management to commence a

"Conditionally Exempt Small Quantity Generator Collection Program" or "CESQG", as defined in Section 2 of this Agreement, for collection of hazardous waste generated by businesses that qualify for the program.

NOW, THEREFORE, in consideration of the mutual benefits to be derived by the parties and the promises herein contained, it is agreed as follows:

REPRESENTATIVES OF THE PARTIES AND SERVICE OF NOTICES:

A. Unless a party designates a different representative or address for itself by written notice to all other parties, the representatives of the parties who are primarily responsible for the administration of this Agreement, and to whom notices, requests, demands, and other communications must be given, are as follows:

COUNTY: Ms. Gail Farber

Director of Public Works County of Los Angeles Department of Public Works

P.O. Box 1460

Alhambra, California 91802-1460

Fax: (626) 458-4022

with copies to: Mr. Pat Proano

Assistant Deputy Director

E-mail: pproano@dpw.lacounty.gov

Fax: (626) 458-3569

WASTE MANAGEMENT: Antelope Valley Recycling and Disposal Facility, Inc.

1200 West City Ranch Road Palmdale, California 93551-4456

Attn: Nicole Stetson Fax: (661) 223-3435

with copies to: Waste Management

Western Group 222 South Mill Avenue, Suite 333

Tempe, Arizona 85281-6472 Attn: Group Legal Counsel

Fax: (832) 668-3046

Waste Management of Los Angeles

10910 Dawson Canyon Road Corona, California 92877-0130 Attn: Director of Operations

- B. Notices and demands given by a party must be in writing and must be given to all other parties by personal delivery, by overnight courier, by receipted facsimile transmission, or by certified mail, return receipt requested. Notices, requests, demands, and other communications delivered or transmitted under paragraph (A) above will be deemed to have been duly received on the date of receipt by the recipient thereof if received prior to 5 p.m. on a business day. Otherwise, any such notice, request, demand, or communication will be deemed to have been received on the next succeeding business day.
- C. If the name of the principal representative or other recipients designated to receive the notices, requests, demands, and other communications, or the address or facsimile number of those persons, is changed, written notice must be given at least five working days before the effective date of that change. Notices given before actual receipt of a notice of change will not be invalidated by the change.

2. **DEFINITIONS**:

For the purposes of this Agreement, the following words, terms, phrases, and their derivations have the meanings set forth below. When not inconsistent with the context, words used in the present tense include the future tense, and words in the singular number include the plural number:

"Business" means the owner, lessee, or occupant of commercial or industrial premises from anywhere within the boundaries of the County of Los Angeles that generate hazardous waste.

"Conditionally Exempt Small Quantity Generator Collection Program" or "CESQG" as defined in Section 25218.1(a) of the California Health and Safety Code means a business that meets the criteria specified in Section 261.5 of Title 40 of the Code of Federal Regulations. A generator is a CESQG in a calendar month if the generator generates no more than 100 kilograms of hazardous waste in that month.

"Electronic Waste" is a general category of electronic products/devices nearing the end of their useful life. Certain components of some electronic products/devices contain materials that render them hazardous, depending on their condition and density. Electronic waste includes electronic devices as defined in Title 22, Section 66260.10 of the California Code of Regulations ("CCR"). Examples of electronic devices include: computer monitors, televisions, cash registers and oscilloscopes (CRT devices), computers, computer peripherals, telephones, answering machines, radios, stereo equipment, tape players/recorders, phonographs, video cassette players/recorders, compact disc players/recorders, calculators, and some appliances. Electronic device does not mean a major appliance, as defined in California Public Resources Code ("PRC") Section 42166, or other devices that are comprised largely of metals, qualify as "scrap metal" as defined in PRC, and are recycled.

"Governmental Requirements" means all past, present, and future Federal, State and/or local laws, ordinances, statutes, codes, rules, regulations, permits, orders, or decrees in any way affecting the Facility or its operation.

"Hazardous Materials" as defined in Section 25501, of the Health and Safety Code, means any material that, because of its quantity, concentration, or physical or chemical characteristics, poses a significant present or potential hazard to human health and safety or to the environment if released into the workplace or the environment. "Hazardous materials" include, but are not limited to, hazardous substances, hazardous waste, and any material that a handler or the administering agency has a reasonable basis for believing that it would be injurious to the health and safety of persons or harmful to the environment if released into the workplace or the environment.

"Household Hazardous Waste" or "HHW" as defined in Title 22, Section 66260 of the California Code of Regulations and Section 25218.1(e) of the California Health and Safety Code, is hazardous waste generated incidental to owning and/or maintain a place of residence. Household hazardous waste does not include any waste generated in the course of operating a business at a residence.

"Residents" means occupants of residential premises located anywhere within the boundaries of the County of Los Angeles, including any cities or the unincorporated territory within Los Angeles County, that generate Household Hazardous Waste.

"Operation" means activities for accepting, processing, and arranging for disposal, recycling, or reuse of Household Hazardous Waste, and Electronic Waste delivered to the Facility by Residents in accordance with specified requirements and standards as provided in Section 3 below, including administration and maintenance of the facility. "Operation" also includes accepting and processing Hazardous Materials delivered by Businesses that qualify as a Conditionally Exempt Small Quantity Generator (CESQG) in accordance with Section 4N below.

"Operations Contractor(s)" means a third-party sub-contractor retained by Waste Management with the approval of the County to operate the Center.

"Operating Period" means the period during which the County funds a share of the Operational Costs of the Facility. The Operating Period begins upon the approval of this Agreement and will run concurrently with the period of operation of the Facility, unless concluded sooner under the provisions identified in this Agreement.

"Operational Costs of the Facility" means only the following costs when paid to the Operations Contractor(s) and reasonably incurred for the administration, operation, and maintenance of the Facility: (i) all recycling, disposal, storage, processing, transportation and handling costs associated with the management and processing under this Agreement of all Household Hazardous Waste and Electronic Waste, delivered by Residents to the Facility; (ii) with the prior written approval by the County, not to be unreasonably withheld, delayed, or conditioned, all costs

associated with responses to any unforeseen emergencies; and (iii) all costs associated with the administration of the Facility. Notwithstanding the foregoing, Operational Costs of the Facility shall **exclude**: (i) non-cash items such as depreciation or amortization; (ii) capital expenditures or improvements to the Facility; (iii) the operation of a CESQG program, and (iv) costs of handling, processing recycling, transportation, storage, disposal of or any other costs incurred for HHW delivered to the Facility pursuant to a permit by rule Door to Door Household Hazardous Waste Collection program operated within North Los Angeles County.

OPERATION OF THE FACILITY:

- A. Waste Management shall perform Operation of the Facility in accordance with the following terms:
 - (1) Waste Management shall be responsible for the operation and maintenance of the Facility in accordance with Governmental Requirements, including, without limitation, laws and regulations enforced by the City of Palmdale, the County's Department of Public Health as the local enforcement agency pursuant to California Public Resources Code Sections 43200, et seq., and as well as regulations pertaining to Hazardous Materials or fire safety.
 - (2) During the Operating Period, Waste Management will retain a qualified Operations Contractor that is pre-approved in writing by the County to perform the Operation, and generally administer, operate, and maintain the Facility, in accordance with all Governmental Requirements. The Operations Contractor may be an affiliate of Waste Management, in accordance with Section 4(O) of this Agreement. Neither Waste Management nor the Operations Contractor may subcontract any part of the Operation of the Facility without the consent of the County.

Waste Management and the County shall agree to the timing and amount of periodic payments to the Operations Contractor to be made by the County in connection with the County's one-half share of the Operational Costs of the Facility. Notwithstanding the foregoing, the County's approval or any oversight of the Operation, or any acts performed pursuant to Section 3B(7) below, shall not relieve Waste Management of its obligations to conduct the Operation in a competent manner or of any of its obligations in this Agreement, including without limitation, Waste Management's obligations under Section 4D (Indemnification) below.

(3) Waste Management shall fully insure the Facility to cover at minimum, its full replacement value. Waste Management shall also fully insure its Operations under this Agreement based on limits and

types of coverage consistent with the standards generally applied to similar facilities in the State, naming the County as additional insured. Such insurance and the limits contained therein shall be subject to review approval County. bv and bv the Waste Management shall provide written proof of insurance upon County's request at any time durina Notwithstanding the foregoing, Waste Management's compliance with the insurance requirements in this Section 3A(3) shall not relieve Waste Management of its obligations in this Agreement including, without limitation, Waste Management's obligations under Section 4D (Indemnification) below.

- (4) Waste Management shall install and operate such equipment, and implement and adhere to such procedures, as are consistent with the standards generally applied to similar projects in Los Angeles County, including the storage, use, removal, transport, and disposal of Hazardous Materials delivered to the Facility and Landfill.
- (5) Notwithstanding any other provision in this Agreement, Waste Management, through its Operations Contractor, must conduct the Operation of the Facility in compliance with the following additional standards and requirements to promote and serve the public interest:
 - (a) The Facility must be open to Residents for the acceptance of Household Hazardous Waste and Electronic Waste at least twice a month, with regularly scheduled hours for public access and, if a CESQG program is implemented, to Businesses for the acceptance of Hazardous Materials and Electronic Waste by appointment only as mutually agreed by the County and Waste Management. Special events shall be added to the regularly scheduled events on an as-needed basis and must be mutually agreed upon prior to the event.
 - (b) The Facility must be available to all Residents free of charge. If a CESQG program is implemented, Waste Management or its Operations Contractor may charge Businesses for the acceptance of CESQG Hazardous Materials, in accordance with Section 4N below.
 - (c) Residents and Businesses (if a CESQG program is implemented) will be notified on a regular basis regarding the availability of the services offered at the Facility. A dedicated website, electronic notification, or other existing means may be used for notification. The amount and type of notification will be within the discretion of the County and Waste Management, and they shall coordinate

- communications to minimize duplication of efforts and ensure consistency of messaging.
- (d) The Facility must be staffed with trained personnel to assist Residents and Businesses (if a CESQG program is implemented) in the recovery of Household Hazardous Waste, Hazardous Waste, and Electronic Waste that the Facility may accept.
- (e) Waste Management will accept Electronic Waste from Residents and Businesses (through the CESQG program) and arrange for the proper handling, disposal, or recycling of that waste, in accordance with all Governmental Requirements. Waste Management, through its Operations Contractor, must recycle all Electronic Waste. No Electronic Waste shall be transported overseas.
- (6) During the Operating Period, the Facility may be used by Waste Management for any of the following purposes:
 - (a) The Operation, conducted in a manner consistent with this Agreement.
 - (b) The temporary storage in the Facility of Household Hazardous Waste collected at the gate of the Landfill only from Residents at times other than those regularly scheduled for the drop-off of Household Hazardous Waste if: (i) those materials are not commingled with hazardous waste collected by Waste Management at curbside under its franchise agreements and/or other operations; (ii) the collection of those materials is recorded on the same County-approved forms that are used for the County's mobile household hazardous waste collection events; and (iii) Residents seeking to dispose of the Household Hazardous Waste at the gate of the Landfill are not charged for that disposal.
 - (c) The delivery, handling, and temporary storage of HHW by an affiliate of Waste Management contracting with a public entity located in North Los Angeles County that operates or conducts a permit by rule Door to Door Household Hazardous Waste Collection program for Residents within its jurisdiction, provided that (i) any HHW delivered from a permitted by rule Door to Door Household Hazardous Waste collection program is to be separately labeled and manifested, and not commingled in the same containers with other HHW delivered to the

Facility as part of the Operation and (ii) any such costs related to these activities are not to be considered an Operational Cost of the Facility.

(d) The delivery of materials to the Facility as a CESQG upon implementation of the CESQG program, upon the same terms and conditions as other Businesses.

B. Funding Operational Costs of the Facility

- (1) During the Operating Period, the County and Waste Management each will be responsible for one-half of the total Operational Costs of the Facility in an amount not less than \$180,000 annually, and not more than \$210,000 annually as determined by a detailed accounting by Waste Management, including a detailed itemization of actual costs of the Facility that are incurred for the Operation, to be reported by Waste Management in a written report to the County in a form acceptable to the County, which report shall also track quantities of waste by type of waste received and/or processed by the Facility. Each operating year will run from July 1 – June 30 during the term of this Agreement. Prior to July 1 of each operating year, Waste Management and the County shall prepare a mutually agreed upon plan and annual budget for advertising costs to promote the Facility, which will be included as part of the Operational Costs of the Facility for the upcoming year. The budget must in good faith comply with the requirements of California Public Resources Code Section 41802(b)(3).
- (2) The County shall have the right, at the County's sole and absolute discretion, to audit: (i) any reports submitted to the County; and (ii) Waste Management's or Operations Contractor and any subcontractors' records relating to the Facility and/or its operation and maintenance. Waste Management and its Operations Contractor and any subcontractors shall cooperate fully with the County in connection with any audit.
- (3) Waste Management will make a good faith effort to minimize and mitigate all Operational Costs of the Facility.
- (4) Waste Management will accept written evidence of installment payments by the County for its share of the Operational Costs of the Facility, which payments will be made by the County directly to the Operations Contractor operating the Facility subject to agreement by Waste Management and the County as to the timing and amount of such periodic payments.

- (5) The County and Waste Management shall share in any State electronic waste reimbursement fees on an equal basis.
- (6) Waste Management will prepare and deliver to the County quarterly status reports regarding waste characterization at the Facility and expenditures attributable to the Facility's Operation and use its best efforts to ensure that the projected Operational Costs of the Facility do not exceed the \$420,000 annual limit. If the Operational Costs of the Facility are expected to exceed \$420,000 for any 12-month period of operation. Waste Management will immediately inform the County of the projected cost overrun with a detailed explanation of the cause of the overrun. In the event that a cost overrun is projected, operations at the Facility shall be modified and mutually agreed upon by the County and Waste Management. Notwithstanding the foregoing, neither the County nor Waste Management shall be obligated to fund any cost overruns under any circumstances.
- During the Operating Period, the County will have the right to (7) monitor and evaluate the operations of the Facility; provided, however, that the County will not be deemed to own or operate the Facility under applicable environmental laws or otherwise. If an operating deficiency at the Facility is determined to exist, then written notice must be given to Waste Management and its Operations Contractor of that operating deficiency, Waste Management and the Operations Contractor shall have thirty (30) days from receipt of notice to cure the operating deficiency. If the operating deficiency is of a nature that cannot be cured within thirty (30) days, Waste Management and its Operations Contractor shall be given a reasonable additional period of time to complete the cure, provided that Waste Management and/or the Operations Contractor has commenced the cure within the initial thirty (30) day period and thereafter diligently pursues completion of the cure in a timely manner and in accordance with a cure schedule agreed to in writing by the County and Waste Management. If Waste Management and/or the Operations Contractor fails to cure the deficiency within the applicable cure period specified in the cure schedule, the County may terminate this Agreement upon thirty (30) days prior written notice to Waste Management and the Operations Contractor, provided that the County shall not have the right to terminate the Agreement if Waste Management or the Operations Contractor completes the cure of any breach or default during the thirty (30) day period following the date of notice of termination. All rights and remedies of the County herein are cumulative, and none shall exclude any other remedy allowed by law or equity.

4. MISCELLANEOUS PROVISIONS:

- A. <u>Amendments:</u> This Agreement may be amended or modified only by mutual written consent of the parties.
- B. <u>Prior Agreement: Superseded As of the Effective Date, the 2004 AVECC Agreement, as amended, is superseded in its entirety and is replaced with this Agreement.</u>
- C. <u>Term: Termination of County Funding; Rights Upon Termination or Expiration of Agreement.</u>
 - (1) The initial term of this Agreement shall commence on, the Effective Date (as defined below) and shall remain in effect up to and including the close of business on June 30, 2023, unless terminated sooner in accordance with this agreement. In the event that either the County or the Waste Management fail to take action terminating this Agreement by giving written notice at least 180 days before the end of this initial term, then this Agreement shall be automatically extended for an additional ten (10) years. This Agreement shall be extended in ten (10) year intervals until such action is taken, with the maximum term of thirty (30) years extending no later than June 30, 2043.
 - (2) Notwithstanding the foregoing, the County may discontinue funding Operational Costs of the Facility upon the June 30 expiration of any annual operating year, upon advance written notice to Waste Management given no later than sixty (60) days prior to the expiration of any annual operating year. If County funding discontinues, then the Agreement will be terminated effective as of the expiration of the operating year.
 - (3) Upon the expiration or termination of this Agreement, however brought about, title and ownership of the Facility shall remain with Waste Management. Upon the expiration or termination of this agreement, Waste Management shall have the continued and ongoing right to operate the Facility for its own purposes, consistent with governmental requirements. It is understood, however, that regardless of whether the County discontinues funding the Operational Costs of the Facility, Waste Management will still be required to comply with Condition 106 of the CUP.
- D. <u>Indemnification</u>. Waste Management will release, indemnify, protect, and hold harmless the County, their elected and appointed boards, commissions, officers, employees, and agents (collectively, Indemnitees) from and against all claims, damages, injuries, costs, (including without limitation on all response, remediation and removal costs), losses,

demands, debts, liens, liabilities, causes of action, suits, legal or administrative proceedings, interest fines, charges, penalties, reasonable attorneys' fees for the adverse party and expenses (including reasonable attorneys' and expert witness fees and costs incurred in connection with defending against any of the foregoing or in enforcing this indemnity) (collectively, "Damages"), of any kind whatsoever paid, incurred or suffered by, or asserted against the Indemnitees arising from or attributable to the operation or maintenance of the Facility or the handling, processing, recycling or disposal of any wastes that are brought to or taken from the Facility, including any allegation of a breach of Governmental Requirements relating to the operation or maintenance of the Facility or the handling, processing, recycling or disposal of any wastes that are brought to or taken from the Facility, and including the repair, cleanup or detoxification, or preparation and implementation of any removal, remedial, response, closure or other plan (regardless of whether undertaken due to governmental action) concerning any Hazardous Materials, hazardous substance, hazardous waste, Household Hazardous Waste, solid waste, or other waste that is collected, stored, transported, treated, or disposed of at the Facility or at the Landfill. The foregoing indemnity is intended to operate as an agreement pursuant to §107(e) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA) 42 U.S.C. §9607(e), Resource Conservation and Recovery Act (RCRA), 42 U.S.C. §6901 et seq., and California Health and Safety Code §25364, to defend, protect, hold harmless, and indemnify the Indemnitees from liability. This provision is in addition to all other provisions in this Agreement and will survive the termination of this Agreement. The parties hereby subrogate to Waste Management their rights to proceed against any insurance coverage to the extent Waste Management seeks reimbursement of any amounts expended in connection with its foregoing obligations under this Section 4D. provisions of this Section 4D shall survive the expiration or early termination of this Agreement.

- E. <u>Jurisdiction and Venue</u>. If any action at law or in equity is brought to enforce or interpret any provisions of this Agreement, that action must be initiated in Federal or State courts located within Los Angeles County, State of California, regardless of any other possible jurisdiction or venue.
- F. <u>Severability</u>. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions will not be affected unless their enforcement under the circumstances would be unreasonable, inequitable, or would otherwise frustrate the purposes of this Agreement.
- G. <u>Binding Upon Successors</u>. This Agreement is binding upon and inures to the benefit of each of the parties and to their respective transferees, successors and assigns.

- H. <u>Applicable Law.</u> This Agreement and the transactions contemplated by it are to be construed in accordance with and governed by the applicable laws of the State of California.
- I. <u>Authority.</u> The persons signing below represent that they have the requisite authority to bind the entities on whose behalf they are signing.
- J. <u>Effective Date.</u> This Agreement will become effective upon approval by the County Board of Supervisors or on the date that the last of the parties, whether the County or Waste Management, executes this Agreement, whichever is later.
- K. <u>Relationship.</u> Nothing herein contained shall in any manner be construed as creating any relationship between the parties as partners, joint-venturers, agents, employers, or employees.

L. <u>Extended Producer Responsibility.</u>

- Waste Management shall use commercially reasonable efforts to (1) assist the County to ensure compliance with all applicable Extended Producer Responsibility laws in accordance with Federal, State or County regulations that contain elements to reduce the environmental impacts of products ranging from requirements to reduce harmful substances to requiring manufacturers or retailers to take back products from consumers after their use. In order to maintain compliance in accordance with Governmental Requirements, the Agreement shall be modified or amended as needed.
- (2) Waste Management shall use commercially reasonable efforts to cooperate with and assist the County in connection with the County's efforts to have paint manufacturers fund or take responsibility for the disposition of leftover paint that is brought to the Facility pursuant to the Paint Stewardship Law, Chapter 420, Statutes of 2010 (Huffman, Assembly Bill 1343). This law sets forth the requirements of the Statewide Paint Stewardship Program, which is geared towards reducing the amount of leftover paint generated, reusing leftover paint, and recycling unwanted leftover latex paint by collaborating with HHW management contractors, local HHW programs, and/or retailers.

M. Reporting.

(1) At the end of each month, Waste Management or its Operations Contractor must submit to the County the amount of Household Hazardous Waste collected at the Facility utilizing the CalRecycle Form 303a to meet this requirement.

- (2) At the end of each month, Waste Management or its Operations Contractor shall electronically report the amount of Household Hazardous Waste collected at the Facility utilizing the County's Household Hazardous Waste Collection System (HHWCS).
- (3) The County shall be responsible for submitting the total amount of Household Hazardous Waste collected at the Facility on the Annual Form 303 report to CalRecycle due on October 1 of each calendar year.
- (4) The County shall be responsible for submitting the Annual Report for Electronic Wastes to the California Department of Toxic Substances due on February 1 of each calendar year.
- (5) The County shall be responsible for submitting the Annual Covered Electronic Waste Net Cost Report to CalRecycle due on March 1 of each calendar year using Form 220.
- N. Conditionally Exempt Small Quantity Generator Collection Program (CESQG). The County and Waste Management agree to negotiate in good faith for the implementation of a CESQG collection program open to qualifying Businesses located in Los Angeles County. If the program is implemented, the Facility must be open to Businesses, by appointment only, other than those days and hours the Facility is open to Residents. Waste Management, through its Operations Contractor, shall properly dispose of CESQG Hazardous Materials and/or Electronic Waste collected in compliance with all Governmental Requirements. Rates for acceptance of CESQG Hazardous Waste will be pre-determined and negotiated by the County, Waste Management and its Operations Contractor prior to program implementation. Rate adjustments must be mutually agreed upon by the County, Waste Management, and its Operations Contractor provided, however, in the event that a rate adjustment requested by the Waste Management or its Operations Contractor is not approved by the County, Waste Management may discontinue this program upon ninety (90) days written notice to the County.
- Conflict of Interest. Waste Management shall exercise reasonable care Ο. and diligence to prevent any actions or conditions that could result in a conflict with the best interests of the County. This obligation shall apply to Waste Management, its employees, agents, and relatives; sub-tier Contractors; and third parties associated with accomplishing work and services associated with the operation of the Facility. The parties affiliate acknowledge and agree that а subsidiary Waste Management may participate in a bidding process to become the qualified approved Operations Contractor, and may be selected as the Operations Contractor without violating this provision, provided the

Waste Management subsidiary or affiliate is deemed the most responsive, cost-effective, and responsible bidder by the County.

The County of Los Angeles' policy prohibits its employees from engaging in activities involving a conflict of interest. Waste Management shall not, during the period of this Agreement, employ any County employee for any purpose.

TO EFFECTUATE THIS AGREEMENT, each of the parties has caused this Agreement to be executed by its duly authorized representative as of the latest date set forth below by the authorized signature.

COUNTY OF LOS ANGELES	APPROVED AS TO FORM:
D.,	JOHN F. KRATTLI County Counsel
Director of Public Works Dated:	By Deputy
ANTELOPE VALLEY RECYCLING AND DISPOSAL FACILITY, INC., a California corporation	APPROVED AS TO FORM:
	CORPORATE COUNSEL
Ву	
Title	
Date	